

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2503 – SB 2599

March 17, 2014

SUMMARY OF ORIGINAL BILL: Subjects the costs of the property tax relief program for low income elderly and disabled persons and disabled veterans to annual appropriations and specifies that the State Board of Equalization's responsibilities will include the allocation of appropriations specifically appropriated for the implementation of this program. Requires the Comptroller of the Treasury to determine the method of implementation and allocation.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (014487): Deletes all language after the enacting clause. Establishes that all taxpayers otherwise eligible for the property tax relief but who fail to apply for a refund or present a credit voucher for credit on their taxes by the date taxes in the jurisdiction become delinquent for that year, rather than within 35 days from that date, shall be deemed ineligible for such relief for that tax year. Requires such applications or presentments of credit vouchers to be received by the Office of the Division of Property Assessment by March 15, instead of May 5, following the last date such applications or presentments may be made, or within 15 days, instead of 30 days, from the deadline established above, whichever is later. Authorizes the Comptroller of the Treasury to uniformly adjust individual payments by a factor that will permit all timely claims to be paid within the limits of the appropriation, if annual appropriations are insufficient to permit payments reflecting the income and value standards established in this part or in the annual appropriations act.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Expenditures – \$20,000

Assumptions for the bill as amended:

- According to the Comptroller, the proposed revisions under the bill as amended would result in a recurring decrease in state expenditures in the property tax relief program because some claimants who might have qualified under the longer deadline would no

longer qualify under the shortened deadline and some reimbursement claims from local jurisdictions would be late and therefore non-payable.

- According to the Comptroller, the resulting recurring decrease in state expenditures is estimated to be \$20,000. The first year impacted by this bill as amended is estimated to be FY14-15.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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